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Financial advisors could get CE credit for giving back under CFP proposal

By Rob Burgess
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The nonprofit Foundation for Financial Planning (FFP) is calling on advisors to submit comments by the end of the month on proposed changes to the CFP Board's certification standards for continuing education.

If implemented, the CE changes could help expand access to financial planning for underserved communities.

In December 2024, the CFP Board announced that after nearly two years of work, its Competency Standards Commission had issued a series of recommendations.

Among the proposed alterations were increasing the minimum CE requirement from 30 to 40 hours every two years, allowing up to 10 hours of excess CE hours to carry over to the next two-year certification reporting period and allowing up to 10 CE hours to be earned through pro bono service at a ratio of three hours of pro bono work to one hour of CE earned. (However, CE earned via pro bono work would not be available for carryover to a subsequent reporting period.)

"The Commission suggests CFP professionals attend a pro bono education course specific to the activity in which they wish to engage," stated the board. "This program would be implemented on a trial basis through the [FFP], leveraging their pro-bono education and referral system. Additionally, completion of the coursework would count toward CE credit as it is today."

Mary Ellen Dingley, communications manager for the CFP Board, told Financial Planning that the goal is to ensure that the competency standards "remain modern, relevant and practical for the evolving financial planning profession."

The public is invited to review all the proposed changes to the standards and submit comments by Feb. 28.

The CFP Board will review public comments and other relevant data to evaluate the issues before reaching a final decision on the proposed changes by November.

FFP asks for support from CFPs

Earlier this month, Jon Dauphiné, CEO of the FFP, issued an open letter to advisors asking them to submit comments on the proposal.

Dauphiné told Financial Planning that the FFP has been advocating informally

for the CFP Board to allow some amount of pro bono service to count toward CE requirements for many years. He said he was "pleased" that the FFP was asked to testify before the CFP Board's Competency Commission in July on the topic.

"Changes such as those proposed may be useful in drawing new entrants to the profession, as pro bono service is highly valued by individuals who are aspiring to become CFP professionals," he said.

Advisors weigh in on proposed changes to CFP standards

Byrke J. Sestok, a financial planner with Rightirement Wealth Partners in Harrison, New York, said he had previously felt that pro bono work wouldn't constitute continuing education, "but I changed my perspective."

"Pro bono is continuing education," he said. "Investing time with people of diverse backgrounds that you would not normally work with is education. Deepening your duty of care for those who cannot afford it develops a compassionate advisor. Personal financial planning came about because advisors realized there is much more to someone's financial life than just the products and services that can be offered or sold to them. Fostering that belief is crucial to the legacy of our financial planning pioneers and equally important to the future of financial planning."

Shane Galante, chief operating officer, co-founder and financial planner at CSG Financial in Dover, Delaware, said the proposed revisions seem to be a net positive for current and future CFPs. He said increasing the CE requirement is a great idea, as most CFPs like to be up-to-date with planning ideas.

"Incentivizing pro bono work is a great idea to work towards CFP prerequisite hours or CE requirements," he said. "It is difficult to not support furthering pro-bono work for CFP professionals. There are vastly underserved families and professionals who are going through difficult times in need of a solid planner on their side. … Some of the casework and situations you see from pro bono planning can greatly impact an advisor's acumen. Some of the standard CE classes are dry and might be completed just to get the CE and not learn or apply the education."

Said Israilov, a financial planner and wealth manager at Israilov Financial in San Francisco, said his firm occasionally has the capacity to offer services on a pro bono basis, as it was launched relatively recently. He said pro bono engagements not only help the firm enhance and improve its client-serving processes but also bring positive emotional fulfillment to the mission to guide people to achieve their financial goals and objectives.

"This proposed change, to allow pro bono service to be counted as CE hours, provides us with an additional advantage and motivation to offer our services to those who need but cannot afford to pay for them," he said. "We are excited at the prospect of having this proposed change approved and put into effect."